

Baronsmead

Investor Guide The Baronsmead VCTs

Baronsmead Venture Trust plc
Baronsmead Second Venture Trust plc

Founded in 1995, the Baronsmead VCTs combine rich heritage and experience with a dynamic, entrepreneurial approach, to invest in the UK and Ireland's very best early stage growth businesses.

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Approval of the Prospectus by the FCA should not be understood as an endorsement of the securities that are the subject of the Prospectus. Potential investors are recommended to read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with a decision to invest in the Companies' securities.

The Baronsmead VCTs seek to invest in innovative companies that we believe will be crucial to the UK economy in the years to come, providing capital and expertise to accelerate growth at a critical stage of their journey.

Drawing on our investment team's extensive entrepreneurial network and specialist skills, we inject capital at pivotal points to push exciting businesses to the next level.

We concentrate our efforts on sectors, markets and companies benefiting from long term structural growth in order to benefit our investors and investees.



Our two listed funds, [Baronsmead Venture Trust plc](#) and [Baronsmead Second Venture Trust plc](#), are tax-efficient venture capital trusts, offering private investors the opportunity to achieve attractive long term investment returns.

Longstanding, respected brand

VCTs established in 1995 - growing to c.£470m AUM

Well diversified portfolio

Diversified portfolio of over 180 quoted and unquoted companies

Strong track record

Track record of consistent returns and dividends since launch

Both VCTs have a 'generalist' approach, investing in high growth unquoted, AIM-traded and other listed companies.

The VCTs have similar portfolios and co-invest alongside each other.

The Baronsmead VCTs are managed by specialist alternative asset management group, Gresham House.

All data to 30 September 2021, Gresham House. Unaudited. Past performance is not a reliable indicator of future performance. The value of the Companies and the income from them is not guaranteed and may fall as well as rise. As your capital is at risk you may get back less than you originally invested.

What are Venture Capital Trusts (VCTs)?

Venture Capital Trusts (VCTs) are listed, closed-ended tax-efficient investment schemes, designed to give investors exposure to businesses and industries in the early stages of growth.

The UK Government introduced VCTs in 1995 as a way of encouraging investment in Britain's entrepreneurial businesses and in the 26 years since, they have been instrumental in building and bolstering the UK economy.

£288m

invested by the Baronsmead VCTs since 2011

295

businesses backed since launch

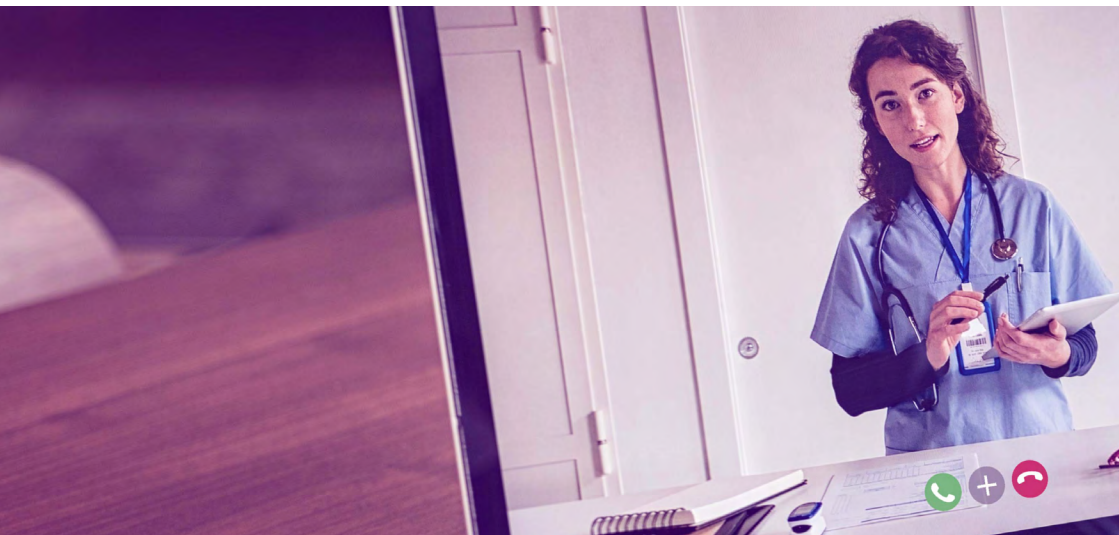
c.£85m

proceeds realised in last two years at an average of 2.5x investment cost

Potential benefits

- Income tax relief of up to 30% of the subscription amount on new shares (some or all of which investors may have to repay if they sell those shares within five years)
- Tax-free dividends
- Tax-free gains on sale of shares (after five years of new shares being issued)

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About Gresham House

Gresham House is a specialist alternative asset management group, dedicated to sustainable investments across a range of strategies, with expertise across forestry, housing, infrastructure, renewable energy and battery storage, public and private equity.

Our origins stretch back to 1857, while our focus is on the future and the long term. Quoted on the London Stock Exchange (GHE:LN), we actively manage c.£4.7bn¹ of assets on behalf of institutions, family offices, charities and endowments, private individuals and their advisers.

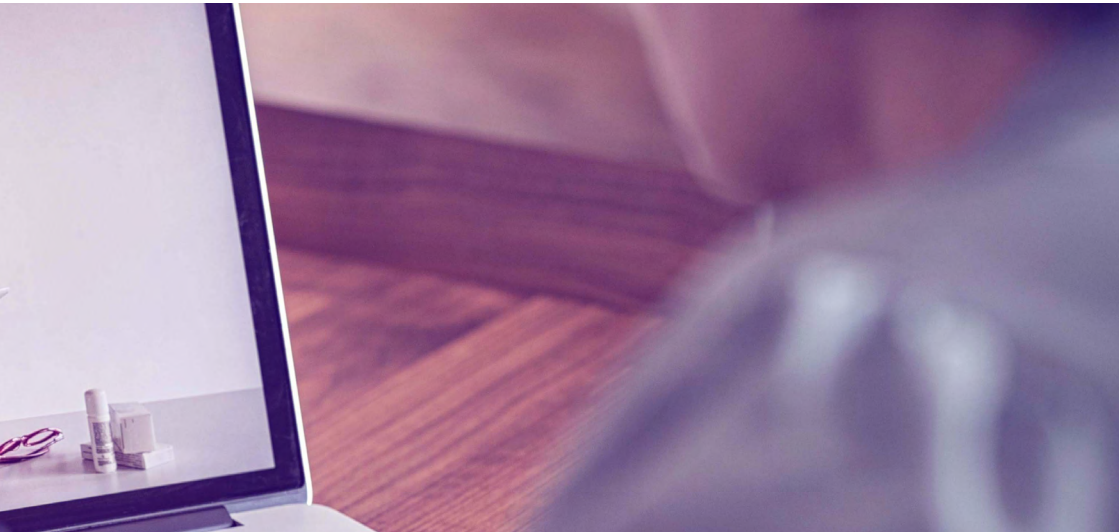
We act responsibly within a culture of innovation that encourages individual flair and entrepreneurial thinking.

As a signatory to the UN-supported Principles for Responsible Investment (PRI), our vision is to always make a positive social or environmental impact, while delivering on our commitments to shareholders, employees and investors.

Our team are empowered to design and implement alternative investment solutions in support of a more sustainable future, with ESG considerations at their core.

1. AUM as at 30 June 2021

Signatory of:



Management of the Baronsmead VCTs

The fund managers and core investment team have on average over 10 years' experience of working with the Baronsmead VCTs.

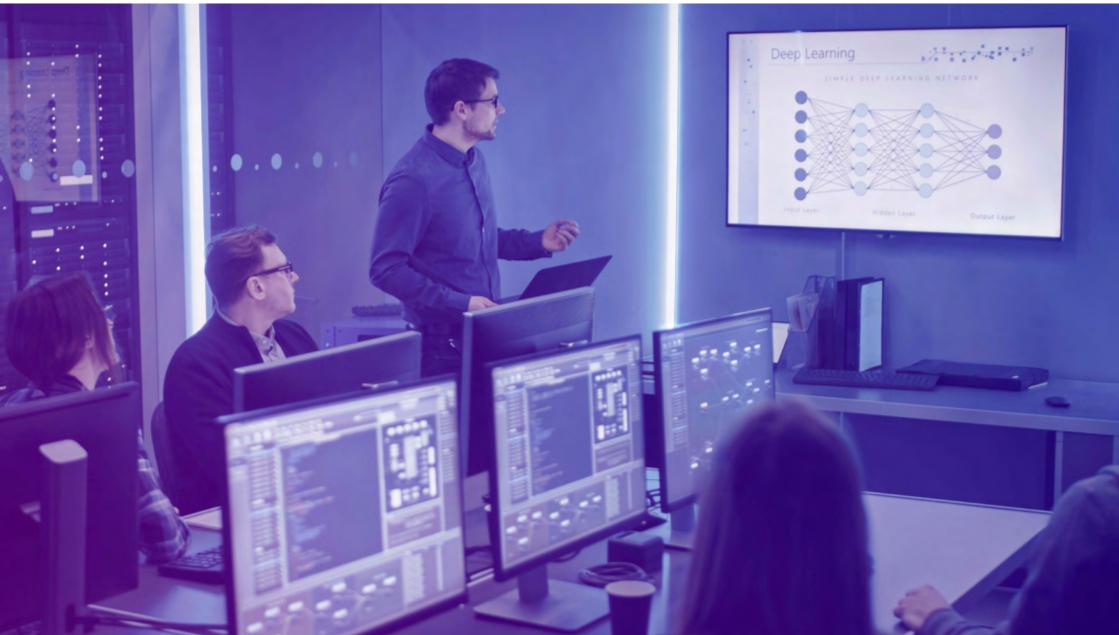
Over the past two years, Gresham House has made significant investment in new talent and technology that will support the continued delivery of robust long term returns for Baronsmead shareholders.

Investment strategy

The Baronsmead VCTs invest in earlier stage companies that have the potential to rapidly grow and enhance their value.

The investment strategy is focused on sectors where the Manager has in-depth expertise and talent networks to support both the appraisal of new opportunities and to assist companies in delivering their post-investment growth plans.

Our investments into companies are typically made across multiple funding rounds. This allows the Manager to invest further capital, with increased conviction in the potential investment return, as the business grows, achieves agreed milestones and matures over time.



Large and diversified portfolio

The portfolio within the Baronsmead VCTs is well diversified, with investments in over 180 quoted and unquoted companies.

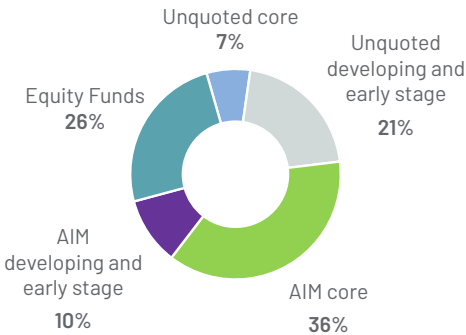
The portfolio is constructed with the aim of delivering consistent performance and regular liquidity to support the payment of shareholder dividends.

- Portfolio is weighted towards technology, healthcare and business services companies in sectors with positive long-term growth drivers
- c.70% of portfolio companies by market value have contracted or recurring revenue business models
- Quoted and unquoted portfolios have historically had complementary return profiles over time

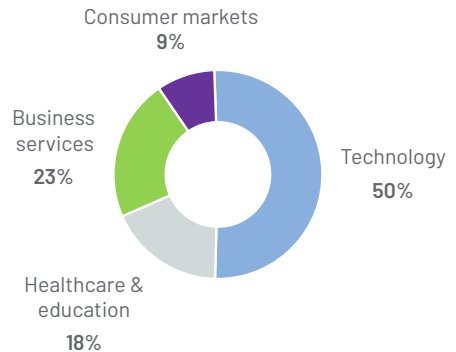
Positioned for growth

- Portfolio of more established ('mature') investments will be the primary driver of performance over the medium term
- Growing portfolio of earlier stage investments with the potential to continue to scale and increasingly contribute to the overall performance of the VCTs
- Investment in Gresham House Equity Funds provides additional diversification through exposure to larger, more established listed companies

Portfolio breakdown by asset type



Portfolio breakdown by sector



Portfolio weightings as at 30 September 2021. Past performance is not a reliable indicator of future performance. The value of the Companies and the income from them is not guaranteed and may fall as well as rise. As your capital is at risk you may get back less than you originally invested.

Investment objectives

The Baronsmead team has been backing growing businesses for 26 years and has invested in over 295 unquoted and AIM-listed companies since launch.

Through these investments the team has built an extensive entrepreneurial network and sector expertise across consumer, technology, business services, healthcare and education.

Where do our deals come from?

New deal opportunities are identified in several different ways.

The investment team has built strong relationships with corporate finance advisors, business owners, early stage investors and angel networks who are all a source of potential deals.

The Baronsmead VCTs also benefit from the extensive experience, resources and wider network of Gresham House as their investment manager. This enables us to resource the Companies' investees financially and practically, offering insight and support as they professionalise and grow.

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Why choose Baronsmead?

- ✓ First launched in 1995, Baronsmead is a longstanding and respected brand, managing c.£470m of VCT capital
- ✓ Long-term track record of delivering robust investment returns and consistent dividends for shareholders
- ✓ Well-established portfolio of diversified unquoted and quoted investments
- ✓ Proven deal origination capability, driving a strong pipeline of new deal and follow-on investment opportunities



Businesses we invest in

As a result of significant VCT rule changes in November 2015 and the Finance Act of 2018, the Baronsmead VCTs now invest principally in small, early-stage, unquoted and AIM-traded companies.

These businesses have established operations, clear product-market fit and are growing strongly. Investment from the Baronsmead VCTs is used to support ongoing growth and is typically utilised to build sales and marketing capability, expanding internationally, developing technology and strengthening corporate governance.

Case studies



eConsult

- eConsult provides a clinically led online consultation service to digitally triage patients, reducing the number of face-to-face consultations required
- This investment builds on the structural imbalance of a growing and ageing population and an increasing scarcity in healthcare professionals
- The Companies' investment of £5m has enabled the business to develop its product offering for the secondary market, in addition to supporting sales and marketing activity

Deal type	Growth
Sector	Healthcare
Year of investment	2020
Amount invested	£5.0m
Adopted valuation	£6.7m



Scurri

- Scurri is a pan-European multi-carrier management SaaS platform based in Ireland
- Scurri connects online retailers with a wide range of delivery partners, enabling them to dynamically route parcels to the most effective carrier based on a range of criteria
- This investment is consistent with the Companies' digital transformation theme, with a focus on making it easier and faster for e-commerce businesses and courier companies to better manage the shipping process

Deal type	Growth
Sector	TMT
Year of investment	2021
Amount invested	£4.3m
Adopted valuation	£4.4m

*Past performance is not a reliable indicator of future performance.
Not investment recommendations.*

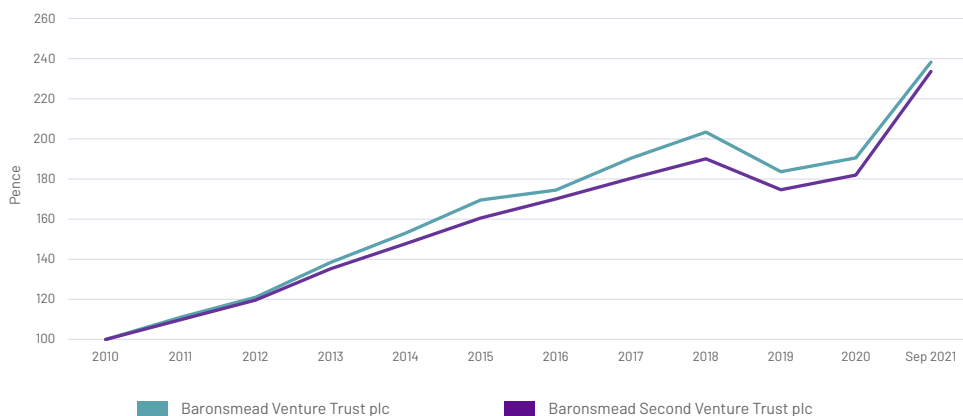
Robust long-term performance

The Baronsmead VCTs have delivered consistent, robust long-term performance.

This is enabled through investment in companies operating in higher growth parts of the economy but also through the diversification in the portfolio.

The Baronsmead VCTs have regularly outperformed the main UK stock market and the average performance of other generalist VCTs.

Net asset value total return*



Net asset value total return to 30 September 2021

	1 year	3 year	5 year	10 year
Baronsmead Venture Trust plc	25.08%	17.12%	36.56%	114.55%
Baronsmead Second Venture Trust plc	28.36%	22.87%	37.34%	112.57%
Average VCT Generalist (FE Data)	19.11%	16.88%	29.09%	69.44%
UK Equity Market	27.90%	9.53%	29.81%	119.18%

* Net asset value total return (gross dividends reinvested) rebased to 100p.

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Dividend track record¹

The Baronsmead VCTs have a track record of consistently paying dividends to shareholders.

Each board is responsible for its own dividend policy and these are subject to review and changes over time. The Boards will use as a guide a sum of 7%, based on opening NAV at the start of the financial year, as a target for setting dividends. Dividends are typically paid twice each year.

Baronsmead Venture Trust plc

8.85p

Average dividend paid and declared in the last 10 years

9.6%

dividend yield²

Baronsmead Second Venture Trust plc

9.20p

Average dividend paid and declared in the last 10 years

9.4%

dividend yield²

Dividend sustainability

- Strong track record of successfully selling investments through the cycle
- These companies are generally more mature, profitable and cash generative businesses
- c.60% of the portfolio remains invested under the old VCT rules
- Ability to top-slice shareholdings in AIM portfolio to generate short-term liquidity
- Clear evidence of value creation in the early stage portfolio, which will increasingly contribute to the future performance of the VCTs

Strong dividend track record



*Interim dividend of 3.0p

1. All data as at 30 September 2021, Gresham House. Unaudited data.

2. 2020 dividend yield based on 2020 dividends paid over mid share price at 30 September 2020

Past performance is not a reliable indicator of future performance.










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Sustainable investing and ESG

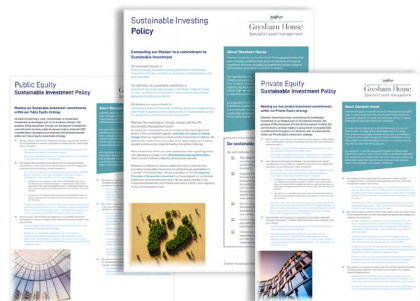
Gresham House has developed a framework based on ten key ESG themes which is used to structure analysis, monitor and report on ESG risks and opportunities across the lifecycle of investments.

The Group's 'GH25' strategy centres on being leaders in sustainable investment by the end of 2025.

Environmental		Social		Governance	
Carbon, emissions and pollution 	<i>GHG emissions and climate change impacts, energy management, pollution prevention and control, air quality management</i>	Employment, health, safety and well-being 	<i>Employee H&S and well-being, sustainable employment practice, engagement, diversity and inclusion</i>	Governance and ethics 	<i>Governance good practice; sound business ethics management and culture</i>
Natural resources management 	<i>Water use, biodiversity and natural resources management</i>	Marketplace responsibility 	<i>Product impacts, safety and labelling in use and disposal, quality and value, customer care, data protection</i>	Risk and compliance 	<i>Robust risk and compliance management</i>
Waste management 	<i>Waste reduction; sustainable management of waste</i>	Supply chain sustainability 	<i>Managing environmental, social and economic impacts of sourcing</i>	Commitment to sustainability 	<i>Awareness, capability and commitment to run a resilient, sustainable business</i>
		Community care and engagement	<i>Understanding and managing impacts on communities, including human rights; community investment</i>		

ESG approach

- ESG assessment tool is embedded across the investment lifecycle from initial appraisal to ongoing portfolio management
- Carrying out portfolio company ESG surveys to set benchmarks, measure improvements and develop best practice
- Development of template ESG policies to provide to portfolio companies to help acceleration of approach to ESG and sustainability
- Stewardship & Proxy Voting policies established, implemented and publicly stated
- Enhanced ESG reporting in Baronsmead Annual Report and Accounts



Gresham House's acquisition of the Mobeus VCT contracts

Gresham House has acquired the Venture Capital Trust (VCT) business (£395m AUM) of Mobeus Equity Partners (Mobeus).

The deal, completed on 1 October 2021, comprises four VCT contracts:

- Mobeus Income & Growth VCT
- Mobeus Income & Growth 2 VCT
- Mobeus Income & Growth 4 VCT
- The Income & Growth VCT

The acquisition will see Gresham House become a leading player in the VCT industry, with approximately £850m of assets across its VCT range.

Each of the Mobeus and the Baronsmead VCT brands will retain their unique identities to offer investors the choice of two high-quality offerings.

The Mobeus VCTs' focus on unquoted companies and emphasis on total return is highly complementary to the Baronsmead VCTs.

As part of the acquisition, 16 full-time employees including two partners, and three consultants will transfer to Gresham House.

The partners, Trevor Hope and Clive Austin, join Bevan Duncan, Ken Wotton and Tania Hayes to form the senior management team of Gresham House's Strategic Equity division.

Trevor and Clive remain responsible for the investment, portfolio, and fund management of the Mobeus VCTs, alongside their investment and operations teams.



About the Mobeus VCTs

Over the last 10 years, the Mobeus VCTs are ranked as four of the top five performing funds within the generalist VCT segment (on a NAV total return basis), with strong performance throughout.

The VCT business is made up of four VCTs: Mobeus Income & Growth VCT plc, Mobeus Income & Growth 2 VCT plc, Mobeus Income & Growth 4 VCT plc and The Income & Growth VCT plc. They have a combined AUM of £395m (as at 30 June 2021).

Investments in 2021

Jan		Equipsme is an SME health insurance plans provider which launched in 2018 with a mission to make health insurance simple, accessible and affordable.	£0.7m Unquoted - follow-on investment
Feb		Countingup is the leading UK provider of unified banking and accounting software to micro-businesses. They develop and operate software which provides an all-in-one financial tool for small business users.	£2.0m Unquoted - new investment
Mar		CloudCall creates innovative technology and provides advanced communications software that integrates with CRM systems so users can manage their communications in the same space as their data.	£1.1m Quoted - follow-on investment
		Glisser is an advanced audience engagement software platform, bringing together an all-purpose, entirely customisable, virtual venue with a suite of tools to unify the event experience for all attendees.	£1.5m Unquoted - follow-on investment
Apr		Metrion Biosciences is a UK-based Contract Research Organisation focused on delivering a range of high-quality ion channel drug discovery services.	£2.2m Unquoted - new investment
		Crimson Tide is a workforce management software-as-a-service (SaaS) provider. Their mpro5 digital solution improves operational effectiveness, ensures process compliance and drives productivity.	£1.3m Quoted - new investment
Jun		Scurri is a pan-European multi-carrier management SaaS platform connecting online retailers with a wide range of delivery partners, enabling them to dynamically route parcels to the most effective carrier.	£4.3m Unquoted - new investment
		Deepverge (formerly Integumen) is a vertically integrated business, collaborating technology platforms with partners in AI, clinical research, medical device, life science and environmental science.	£3.0m Quoted - new investment
Jul		Airfinity is a science information data analytics platform which provides deep information by therapeutic area on a real time basis to the life sciences industry.	£3.0m Unquoted - new investment
		Patchworks provides software to integrate an ecommerce customer's operational systems, its storefront, ERP, Warehouse Management System, third party logistics provider and other marketing and data analytics systems.	£3.3m Unquoted - new investment
Aug		Crossword Cybersecurity provides sourcing and development of academic ideas into commercial cyber security products and services.	£2.5m Quoted - new investment
		TravelLocal is an online travel agent specialising in tailor made holidays.	£1.0m Unquoted - follow-on investment
Oct		Airfinity is a science information data analytics platform which provides deep information by therapeutic area on a real time basis to the life sciences industry.	£2.0m Unquoted - follow-on investment

Not investment recommendations.

Our VCT investment team

Our core team have over 100 years' experience between them and is supported by a broad range of investment specialists in public and private equity.



Bevan Duncan
Fund Manager

Bevan has overall responsibility for the unquoted portfolio within the Baronsmead VCTs. He also directly manages portfolio investments and has been an active board member of several Baronsmead investee companies including MLS, Eque2, Key Travel and Pho. He qualified as a Chartered Accountant at KPMG in New Zealand, where he provided consultancy services to fast growing small businesses.



Ken Wotton
Fund Manager

Ken manages AIM-listed portfolios on behalf of the Baronsmead VCTs. Ken graduated from Brasenose College, Oxford before qualifying as a Chartered Accountant with KPMG. He was an equity research analyst with Commerzbank and then Evolution Securities prior to spending the past 12 years as a Fund Manager at Livingbridge and now Gresham House specialising in smaller companies.



Tania Hayes
Finance Director, VCTs

Tania has worked on the Baronsmead VCTs for over 13 years, progressing from administration assistant to Finance Manager in 2011 and qualifying as a Chartered Management Accountant in 2012 while at Livingbridge. Tania previously worked at a Chartered Accountancy practice in New Zealand for eight years where she began her accountancy training. She holds a BBS in Accounting from the Open Polytechnic of New Zealand.



Andrew Hampshire
COO and CTO

Andy has a strong technology, operations and business background, having previously worked for LDC and the wholesale division of Lloyds Banking Group, where he led numerous operational improvement and technology programmes. Throughout his career Andy has advised companies on identifying value creation opportunities to support growth that can be driven through operational improvement and technology, as well as supporting complex post-merger integrations.



Trevor Hope
CIO, VCTs

Trevor joined the Mobeus VCT team in 2016 to develop and lead the firm's growth capital and investment strategy. For over 20 years, Trevor has invested growth capital into UK businesses across a wide range of sectors including technology, media, leisure, business services, healthcare, telecoms and consumer services. Before joining Mobeus, he was the Chief Investment Officer of Beringea, manager of the ProVen VCTs.



Clive Austin
MD, Portfolio

Clive has been working with the Mobeus VCTs since 2013, sits on the Investment Committee and has responsibility for the portfolio valuations processes. Clive has worked in the private equity industry since 1995 and has acted as Non-Executive Director and Chairman of a wide range of private equity backed businesses. His previous experience includes as a Director at 3i, Catapult Venture Managers and NVM Private Equity.

New investments



Gregory Blin
Investment Partner



Jane Reoch
Investment Director



Chris Kilroy
Investment Director



Joe Krancki
Investment Director



Henry Alty
Investment Director



Thomas Makey
Investment Director



Maya Ward
Associate Director



Rowan Grobler
Investment Manager



James Hendry
Investment Manager



Mackenzie Travers
Investment Associate



Matt Jones
Investment Associate

Portfolio management



Matt Mead
Venture Partner



Rupesh Patel
Investment Director,
Portfolio



Bob Henry
Portfolio Director



Ed Waas
Portfolio Director



Giles Whitman
Portfolio Director



Simon Bursell
Portfolio Director

Public Equity



Brendan Oulston
Investment Director



Adam Khanbhai
Investment Director



Amber Stone-Brown
Investment Manager



Cassie Herliffy
Investment Manager



Laurence Hulse
Associate Director

Operating Partners



Hazel Cameron
Head of
Portfolio Talent



Tamer Ozmen
Technology &
Investment Partner



Rob Brittain



Mark Wignall

Consultants

Gresham House employees working on VCTs as at 31 October 2021.

The offers

Joint Offers for Subscription of **£50m**, with an overallotment facility of **£25m**. The minimum investment per offer is **£3,000**. You can choose to invest in either or both VCTs.

Allotment dates

	Subscriptions to be submitted by 12 noon on		Anticipated date of allotment
Payment method	By cheque	By bank transfer	
First Allotment	22 November 2021	25 November 2021	30 November 2021
Second Allotment	14 December 2021	17 December 2021	22 December 2021
Third Allotment	20 January 2022	25 January 2022	28 January 2022
Fourth Allotment	18 February 2022	23 February 2022	28 February 2022
Final Allotment	24 March 2022	29 March 2022	1 April 2022

To be eligible for the 'Early bird' rebate (details below), completed Subscription Forms and funds in relation to the Subscription must have cleared by 12 noon on the date shown above. Subscribers who are issued New shares on or prior to 28 January 2022 will be entitled to receive the Final Dividend.

Offer close date

The Offers are for the 2021/22 tax year. The Offers will close at 12 noon on 29 March 2022 for Subscriptions via bank transfer and 24 March 2022 for Subscriptions via cheque, unless either or both Boards decide to extend the Offer in relation to the relevant Company, or the Offers are fully subscribed before this time.

Early-bird rebate

The Investment Manager has agreed to rebate a proportion of Subscriptions made by Subscribers on or before 25 November 2021 (for Subscriptions via bank transfer) or 22 November 2021 (for Subscriptions via cheque), subject to a maximum aggregate subscription under the Early Bird Rebate of £7.5m per Company, on the following basis:

- Existing shareholders will receive a rebate of 0.75% of their Subscription
- New investors will receive a rebate of 0.5% of their Subscription

The rebate will be paid to Subscribers in the form of additional New Shares issued at the relevant Offer Price.

Offer fees and ongoing charges

	Investment channel					
	Advised*		Direct		Execution only**	
Shareholder status	Existing	New	Existing	New	Existing	New
Initial fee	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Waived adviser fees ¹	-	-	-	-	(1.50%)	(1.50%)
Investment Manager rebate	(1.50%)	(1.50%)	(1.00%)	(1.00%)	-	-
Early bird rebate	(0.75%)	(0.50%)	(0.75%)	(0.50%)	(0.75%)	(0.50%)
Equivalent fee	2.25%	2.50%	2.75%	3.00%	2.25%	2.50%

1. Assuming advisers waive commissions to the full extent permitted.

*Advised Subscriptions

Financial advisers who provide investment advice in relation to a Subscription are not entitled to receive commission. However, the relevant Company is able to facilitate the payment of an adviser fee on behalf of the Subscriber.

**Subscriptions through an execution-only broker

Initial commission of 1.5% of the amount subscribed will be available in relation to non-advised Subscriptions. Advisers can choose to waive the initial commission. Commission waived by an adviser will be rebated to Subscribers in the form of additional New Shares issued at the relevant Offer Price.



Ongoing charges

	Baronsmead Venture Trust plc	Baronsmead Second Venture Trust plc
Annual management charge	2.0% of NAV calculated & paid quarterly	2.5% of NAV calculated & paid quarterly
Performance fee	10% of total return excess of hurdle threshold. Annual threshold is when the total return on shareholders' funds exceeds an annual threshold of the higher of 4.0 per cent or base rate plus 2.0 per cent calculated on a compound basis	10% of total return excess of hurdle threshold. Annual threshold is when the total return on shareholders funds exceeds an annual threshold of 8 per cent calculated on a simple basis
Performance fee last paid	2021	2006
Ongoing charges from 30 September 2020 annual accounts*	2.2%	2.7%
Expenses cap	3.5% of net assets	3.5% of net assets

*Excluding performance fees paid.

How to invest

If you have a financial adviser, they can help you to complete your application form online by using the subscription form at www.baronsmeadvcts.co.uk. If your adviser has any questions, they can call City Partnership on 01484 240 910 or email baronsmeadra@city.uk.com

Apply online at www.baronsmeadvctoffer.co.uk

Email - Subscriptions can be made via email by completing the form found at www.baronsmeadvcts.co.uk and sending it to baronsmeadra@city.uk.com

Post - Download an application form from our website www.baronsmeadvcts.co.uk or phone 020 7382 0999 to request one

Forms should be sent to:

The City Partnership (UK) Limited, The Mending Rooms, Park Valley Mills, Meltham Road, Huddersfield, HD4 7BH

Details on how to complete the form can be found in the notes on how to complete the application form on the Baronsmead website www.baronsmeadvcts.co.uk

If you have questions about the offer or completing your application form please contact:

City Partnership on 01484 240 910 or baronsmeadra@city.uk.com

Baronsmead Investor Relations on 020 7382 0999 or baronsmeadvcts@greshamhouse.com



What happens next

How will I know if my Subscription has been successful?

Within two business days of the Receiving Agent receiving your completed Subscription Form you will receive an email from baronsmeadra@city.uk.com. This email will confirm if your Subscription has been successful. To avoid the confirmation email being delivered to your spam or junk folder, please add the email address above to your 'safe senders' list.

When will I receive my New Shares?

Depending on when your completed Subscription Form is received, it is anticipated that New Shares will be allotted as follows:

- 30 November 2021 in relation to the First Allotment
- 22 December 2021 in relation to the Second Allotment
- 28 January 2022 in relation to the Third Allotment
- 28 February 2022 in relation to the Fourth Allotment
- 1 April 2022 in relation to the Final Allotment

When will I get my share and income tax certificates?

The Receiving Agent will send your income tax certificates to you by email within two business days of your New Shares being allotted. Where an email address has not been provided, a hard copy will be posted with your share certificate within ten business days of your New Shares being allotted.

When will adviser fees be paid?

Adviser fees will be paid by the Receiving Agent within five business days of your New Shares being allotted.

When are dividends paid by the Companies?

The Boards of the Companies will, wherever possible, seek to pay two dividends to Shareholders in each calendar year, typically an interim dividend in September and a final dividend following the annual general meeting in February or March.

Get in touch

If you have any questions or wish to register for further details about future Prospectus Offers please get in touch.

Private investors

Baronsmead Investor Relations
baronsmeadvcts@greshamhouse.com
020 7382 0999

Financial intermediaries

RAM Capital
taxsolutions@ramcapital.co.uk
020 3006 7530

Key risks specific to the issuer

Changes in economic conditions and other factors can substantially and adversely affect the value of investments and therefore either Company's performance and prospects.

The past performance of the Companies, and of investments managed by the Investment Manager, is not necessarily indicative of future performance.

There is no guarantee that the investment objectives will be achieved or provide the returns sought by the Companies or that suitable investment opportunities will be available. The success of the Companies will depend on the Investment Manager's ability to identify, acquire and realise investments in accordance with the investment policy and there can be no assurance that the Investment Manager will be able to do so.

Investment in private companies involves a higher degree of risk than investment in companies traded on the Main Market of the London Stock Exchange. Smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a smaller number of key individuals. In addition, the market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock.

Full information for determining their value or the risks to which they are exposed may also not be available.

The investments may be difficult to realise. The valuation of the portfolios and opportunities for realisation may also depend on market conditions.

Changes in legislation concerning VCTs may limit the number of Qualifying Investment opportunities, reduce the level of returns which would otherwise have been achievable or result in the Companies not being able to meet their investment objectives.

Key risks specific to the securities

The value of New Shares depends on the performance of the underlying assets of the Companies. The market price of the New Shares may not fully reflect their underlying Net Asset Value. Trading in VCT shares is generally limited and shares in VCTs tend to be valued at a discount to their net asset value and may be difficult to realise. As a result, Shareholders may be offered a price which is less than the full value of underlying assets.

It is likely that there will not be a liquid market in the New Shares (which may be partly due to up-front tax relief not being available for VCT shares bought in the market and as VCT shares generally trade at a discount to net asset value) and Shareholders may have difficulty in selling their New Shares as a result. Shareholders may not be able to realise their investment at Net Asset Value or at all.

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Please contact a member of the Gresham House team if you wish to discuss your investment or provide feedback on this document. Gresham House is committed to meeting the needs and expectations of all stakeholders and welcomes any suggestions to improve its service delivery.

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www.baronsmeadvcts.co.uk

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Specialist asset management